

293 - WORKERS' COMPENSATION ISF

Operational Summary

Agency Description:

The Workers' Compensation Internal Service Fund is a division of the CEO/Office of Risk Management whose mission is to preserve and protect the human and capital assets of the County of Orange.

At a Glance:

Total FY 2000-2001 Actual Expenditure + Encumbrance:	25,840,032
Total Final FY 2001-2002 Budget:	30,050,526
Percent of County General Fund:	N/A
Total Employees:	10.00

Strategic Goals:

- It is the goal of the Risk Management Program to provide state-mandated benefits to injured County employees and to ensure that all state and federal requirements are met or exceeded.
- The program strives to provide a safe environment for both County employees and members of the public who visit County facilities and receive County services through its pro-active Safety and Loss Prevention and Anti-Fraud and Loss Prevention programs. This strategy compliments current efforts to reduce the total cost of risk.

Key Outcome Measures:

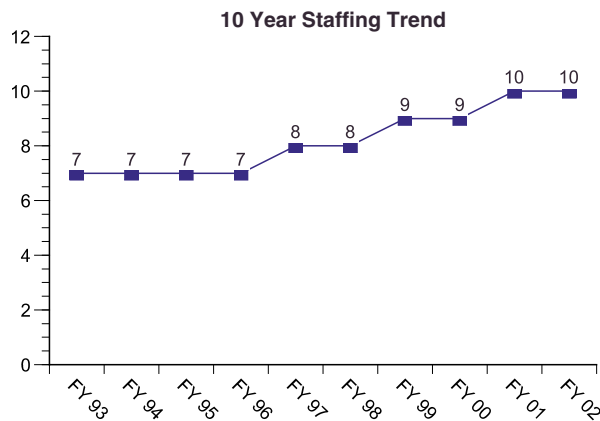
Performance Measure	FY 2000-2001 Results	FY 2001-2002 Target	How are we doing?
THE COST OF RISK What: Measures taken to prevent injury and/or property loss or damage and mitigate related costs. Why: Efficient management of the Cost of Risk frees up funds for other strategic uses.	Orange County's Cost of Risk is \$9.24 per \$1,000 of revenue for Fiscal Year 2000-01.	Maintain the County's Cost of Risk at or below the annually published industry median cost.	Orange County's Cost of Risk is 27% below the industry's median cost of \$12.69.

Fiscal Year 2000-01 Key Project Accomplishments:

- Increased the use of technology through the provision of on-line access to Supervisors Accident Investigation form.
- Increased Safety Inspections throughout the County by 50% over the previous fiscal year.
- Completed beta-testing of Risk Management intranet web site.
- Actively supported legislative efforts to mitigate the increased cost of Workers' Compensation.

WORKERS COMPENSATION ISF - Workers' Compensation insurance administration, Safety and Loss Prevention, and Anti-Fraud and Loss Prevention.

Ten Year Staffing Trend:



Ten Year Staffing Trend Highlights:

- Overall expansion and increasing responsibilities of the program defined the need for additional staff.

Budget Summary

Plan for Support of the County's Strategic Priorities:

Support the overall mission of the County Executive Office.

Changes Included in the Base Budget:

Increased cost of current self-insured and commercial insurance purchases.

Final Budget and History:

Sources and Uses	FY 1999-2000 Actual Exp/Rev ⁽¹⁾	FY 2000-2001 Final Budget	FY 2000-2001 Actual Exp/Rev ⁽¹⁾	FY 2001-2002 Final Budget	Change from FY 2000-2001 Actual	
					Amount	Percent
Total Positions	N/A	10	N/A	10	10	0
Total Revenues	14,588,154	18,775,000	25,825,053	30,050,526	4,225,473	16
Total Requirements	14,574,470	18,775,000	25,844,350	30,050,526	4,206,176	16
FBA	0	0	5,528	0	(5,528)	(100)

(1) Amounts include prior year expenditures and exclude current year encumbrances. Therefore, the totals listed above may not match Total FY 2000-01 Actual Expenditure + Encumbrance included in the "At a Glance" section.

Detailed budget by expense category and by activity is presented for agency: WORKERS' COMPENSATION ISF in the Appendix on page 581.

Highlights of Key Trends:

- Continuing increase in size of the population served by the Workers' Compensation Program.
- Medical cost inflation.
- Impact of legislative and regulatory changes has resulted in significantly increased costs.
- Passage of Assembly Bill 1127 imposes civil penalties on public entities and may expose managers and supervisors to criminal penalties for severe safety violations.